

## REMARKS

Claims 1-17 and 19-21 stand rejected under 35 USC §103(a) as being unpatentable over Bondy, U.S. Patent application US 2003/0046147 A1.

Claims 10-15, 19 and 20 stand rejected under 35 USC §103(a) as being unpatentable over Bondy, in view of Dicks et al, U.S. Patent application US 2002/0007334 A1.

Applicant appreciates the Examiner's time and consideration in examining this application to date. In an effort to help clarify the numerous distinctions between Applicant's claimed invention and the prior art to Bondy, Applicant now refers to "subscribers" of a first Affinity partner, and to "e-tailers" rather than "an affiliate organization".

Claim 1, as amended, has been clarified to claim a business organization as a separate entity, and that subscribers of the first Affinity partner make purchases directly from an e-tailer without using the business organization. In addition, it is recited that royalties are paid by the e-tailers to the business organization, even though purchases are made directly by the first Affinity partner subscribers with the e-tailers, without involving the business organization. Support for this invention is shown in Figure 5 of Applicant's specification.

Advantageously, the core business organization (Ifiniti) is not involved with completing the purchase of goods or services by a subscriber from an e-tailer. Rather, the e-tailer recognizes the purchase from an enlisted subscriber so as to maintain accounting of these types of purchases and to determine and direct royalties be paid to the business organization. In direct contrast, according to Bondy, the members of an organization, such as a church, make purchases directly with the organization. Thereafter, after accumulating the orders, the organization places a batch order with the e-tailer. Thus, there is a middle party handling a purchase order between the church members and the e-tailer. Further, the organization, such as the church, receives and handles the money from the purchaser. The e-tailer never receives money directly from the

purchasing member. The e-tailers may offer a group purchase discount to the church. Figure 9 of Bondy best illustrates the order and product flow of Bondy. The churches ABC receive and pool orders from their members. The e-tailer (Intrinity), thereafter, then receives and pools orders and money from the churches. The e-tailer then completes the orders by shipping product to the churches, and then the churches distribute the products to the members in a hub-spoke relationship. The present claimed invention achieves additional advantages in that the subscribers of the affinity Partner can purchase directly from multiple e-tailers that enlist with the business organization, unlike the pooling arrangement of Bondy.

With emphasis, the business system of the claimed present invention and Bondy are very different. One notable example is that the business organization in the present claimed invention simply receives royalties from the e-tailers, yet is not involved with the purchase between the subscriber and the e-tailer. Rather, the business organization is simply a beneficiary. Again, this is made possible by the fact that the e-tailer will recognize a subscriber as being associated with an Affinity partner, and thus the e-tailer will know how to direct royalties to the business organization when it recognizes such purchases.

Turning to dependent Claim 2, there is further recited that the business organization is further enabled to distribute a portion of these royalties to the affinity Partner for which the members making the purchase belong. Thus, the business organization stands to profit, and further, the affinity Partner also stands to receive funds, all which is transparent to the purchasing subscriber.

Referring now to dependent Claim 3, there is further recited a second Affinity partner associated with the first Affinity partner, this second Affinity partner also having members. The examples given in Applicant's application include the Boy Scouts of America being a first Affinity partner, and the District Counsels as being secondary Affinity partners, as discussed on page 12. Similarly, the National Football League may be a first Affinity partner that could engage secondary Affinity partners, such as teams, who then engage members and fans of their team as subscribers. Bondy fails to teach or suggest a second Affinity partner being associated with the first Affinity partner, but rather, only teaches members of an organization.

Dependent Claim 4 further recites that the business organization may distribute a portion of the royalties to both the first Affinity partner and the second Affinity partner in a slightly more complex distribution of royalties where, again, the subscriber making the purchase makes it directly from an e-tailer, whereby the business organization simply receives financial benefits and may distribute a portion of the royalties to the first and/or second Affinity partner. The business organization is compensated for its enlisting services as a third party beneficiary.

The remaining dependent Claims further recite features neither taught nor suggested by Bondy.

Independent Claim 16 recites a method of building a core business on the internet, including the steps of enlisting an Affinity partner having a plurality of subscribers, enlisting at least some of the subscribers of the affinity partner, and enlisting a plurality of e-tailers to offer goods or services for purchased directly to the subscriber, the e-tailers distributing a royalty to the core business. Bondy fails to teach or suggest a core business that enlists a plurality of e-tailers to provide a good or service for purchase directly by a subscriber of an Affinity partner. Rather, Bondy teaches a single e-tailer, coined Intrinity, as providing service in a “hub-spoke relationship” as previously discussed.

Dependent Claim 17 further recites enlisting a second Affinity partner being a subset of the first Affinity partner, whereby the second Affinity partner also has a plurality of members enabled to purchase directly from an e-tailer. Bondy fails to teach or suggest such a second level partnership and subscribers.

Independent Claim 21 recites an electronic purchasing platform reciting means enabled to handle an electronic purchase and distribute funds as previously described, and thus is also believed to be allowable over Bondy for the foregoing reasons.

Applicant has clarified the claims to clearly distinguish from the system of Bondy. Applicant respectfully submits all pending claims are now in condition of allowance, and a notice to that effect is respectfully requested.

If the Examiner has any further questions, the Examiner is encouraged to contact the undersigned attorney to resolve these matters by Examiner's amendment. No additional fees are believed to be due, however, the Commissioner is authorized to debit Applicant's Deposit Account 10-0096 should any additional fees be due.

Respectfully Submitted,



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